

HELM

FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

VIA AIR COURIER

February 11, 1993

18125

FEB 12 1993 2:50 PM

INTERSTATE COMMERCE COMMISSION

5-0434045

Ms. Mildred Lee
Recordations Unit
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, DC 20423

RE: Railcar Lease Agreement dated as of August 18, 1989
("Lease") between Helm Financial Corporation and MNVA
Railroad, Inc.

Dear Ms. Lee:

On behalf of Helm Financial Corporation, I submit for filing and recording, under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder, the following document:

Two (2) executed counterparts of a document entitled
Railcar Lease Agreement dated as of August 18, 1989
between Helm Financial Corporation and MNVA Railroad,
Inc.

In connection with the recording of the Lease, please note the following information:

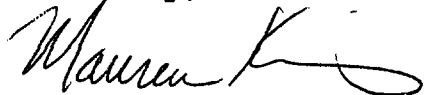
Name and Address of Lessor: Helm Financial Corporation
One Embarcadero Center, Suite 3500
San Francisco, California 94111

Name and Address of Lessee: MNVA Railroad, Inc.
P.O. Box 218
Redwood Falls, MN 56283

Equipment: One hundred nineteen (119) covered
hopper cars (See Certificates of
Acceptance for car numbers)

Please file this Lease as a primary document. The filing fee of Sixteen Dollars (\$16.00) is included in the enclosed check.

Sincerely,



Maureen Krieg
Contract Administrator

mek
Enclosures (2)

FEB 12 2 45 PM '93
RECORDING UNIT

Interstate Commerce Commission

Washington, D.C. 20423 2/12/93

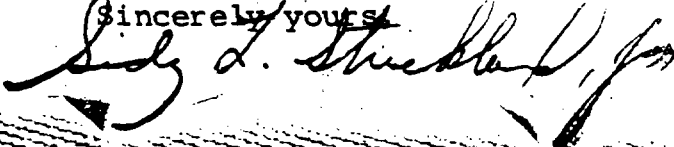
OFFICE OF THE SECRETARY

Maureen Krieg-Construct Administrator
Helm Financial Corporation
One Embarcadero Center
San Francisco, CA. 94111

Dear Sirs:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 2/12/93 at 2:50PM, and assigned re-recording number(s). 18125.

Sincerely yours,


Secretary

SIDNEY L. STRICKLAND, JR.

Enclosure(s)

18125

FEB 12 1993 2:50 PM

INTERSTATE COMMERCE COMMISSION

RAILCAR LEASE AGREEMENT

BETWEEN

HELM FINANCIAL CORPORATION

AND

MNVA RAILROAD, INC.

RAILCAR LEASE AGREEMENT

This LEASE AGREEMENT dated as of the 18th day of August, 1989 (the "Agreement"), by and between HELM FINANCIAL CORPORATION, a California corporation ("Lessor"), and MNVA RAILROAD, INC., a ^{Minnesota}~~Delaware~~ corporation ("Lessee"), having its principal place of business at ~~5100 Oakland Avenue, St. Louis, Missouri 63110~~ ^{Morton, Minnesota.}

W I T N E S S E T H:

1. Lease. Lessor agrees to furnish and lease to Lessee, and Lessee agrees to accept and use upon the terms and conditions herein set forth, the railroad cars ("Cars") covered by the riders attached hereto and such additional riders as may be added hereto from time to time by agreement of the parties (each such rider, a "Rider"). Each Rider shall set forth the number of cars, the rental rate, term of use, car numbers, and other pertinent information that may be desired by both parties. Such pertinent information may amend specific sections within this Lease Agreement and if so are marked (*) beside the number of the Section amended within the Rider.

*2. Delivery. Lessor agrees to deliver the Cars to Lessee at Lessee's expense at the location designated in the appropriate Rider as point of delivery and Lessee agrees to accept delivery. Lessor's obligations as to such delivery shall be subject to all delays resulting from causes beyond its control.

*3. Inspection and Acceptance. Each Car shall be subject to Lessee's inspection upon delivery and Lessee shall execute a Certificate of Acceptance in the form set forth in Exhibit A hereto evidencing the fitness and suitability of each Car and Lessee's unconditional acceptance of such Car. The loading of any Car by Lessee or at its direction, shall constitute acceptance thereof by Lessee, and shall be conclusive evidence of the fit and suitable condition thereof for the purpose of transporting the commodities then and thereafter loaded therein or thereon.

4. Usage. Lessee agrees to use the Cars exclusively in its own service, except as hereinafter provided, in accordance with the provisions of the appropriate Rider. None of the Cars shall be shipped beyond the boundaries of Canada or the United States except with the prior written consent of Lessor.

*5. Rent.

(a) Monthly Rental Charge. Lessee agrees to pay the monthly rental charge ("Monthly Rental") set forth in the appropriate Rider with respect to each of the Cars from the date of delivery thereof and until such Car is returned to and accepted by Lessor. Each Monthly Rental shall be paid in advance on the first day of the month, prorating, however, any period which is less than a full month on the basis of a month of thirty (30) days. The Monthly Rental shall be payable without deduction, reduction, set-off or counterclaim of any kind, for any reason, whether or not related to this Agreement. Such Monthly Rentals shall be paid to Lessor at the address set forth in the appropriate Rider.

(b) Additional Usage Rental. Within fifteen (15) days of receipt of notice from Lessor, Lessee agrees to pay as additional rent with respect to each of the Cars an amount equal to the additional usage rental set forth in the appropriate Rider. Such additional rent shall be based upon the mileage reported by any railroad for the total number of miles that each Car travels loaded and empty during the calendar year. Such mileage shall be calculated and paid annually during the term of this Agreement as set forth in the appropriate Rider.

6. No Lessor Warranties. LESSEE ACKNOWLEDGES THAT THE EQUIPMENT IS OF THE TYPE, DESIGN, SIZE, CAPACITY AND MANUFACTURERS SELECTED BY LESSEE; THAT LESSOR IS NOT A MANUFACTURER OR REPRESENTATIVE THEREOF IN, MERCHANT IN, OR DEALER IN, THE EQUIPMENT, THAT LESSOR HAS NO DUTY TO ENFORCE ANY MANUFACTURER'S WARRANTIES ON BEHALF OF LESSEE; THAT LESSOR WILL NOT AND HAS NO OBLIGATIONS TO, INSPECT THE EQUIPMENT PRIOR TO DELIVERY TO LESSEE AND THAT LESSOR HAS NOT MADE AND WILL NOT MAKE ANY REPRESENTATION, WARRANTY OR COVENANT, EXPRESS OR IMPLIED, ON WHICH LESSEE MAY RELY, WITH RESPECT TO: THE MERCHANTABILITY, FITNESS, SAFETY, CONDITION, QUALITY, DURABILITY OR STABILITY FOR LESSEE'S PURPOSES OF THE EQUIPMENT IN ANY RESPECT, THE EQUIPMENT'S COMPLIANCE WITH ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO, LATENT DEFECTS, OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT EXPRESS OR IMPLIED. LESSOR SHALL NOT BE LIABLE TO LESSEE FOR ANY LIABILITY, LOSS OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED DIRECTLY OR INDIRECTLY BY THE EQUIPMENT OR BY ANY INADEQUACY THEREOF OR DEFICIENCY OR DEFECT THEREIN, WHETHER DIRECT, INDIRECT, EXEMPLARY OR PUNITIVE, WHETHER OR NOT LESSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7. Records and Reports Pertaining to Movement of the Cars. Lessee agrees to keep records pertaining to the movement of the Cars and will furnish to Lessor on a monthly basis reports of all

loaded and empty miles for each Car both on its lines and on the lines of other railroads, including but not limited to, upon the request of Lessor, dates loaded and shipped, destination, and full junction routing.

8. Railroad Charges. Lessee agrees to reimburse Lessor for any payment Lessor may be required to make to any railroad due to mileage equalization, where applicable, resulting from excess empty mileage incurred by the Cars on such railroad. For the purpose of this paragraph, the railroad mileage and junction reports shall be prima facie evidence of the facts reported therein. In addition, if Lessor is required to make any payments to a railroad resulting from storage or the empty movement of any of the Cars while they are in Lessee's service, Lessee agrees to reimburse Lessor for such payments.

9. Loss, Destruction and Repairs. Lessee shall notify Lessor of the loss or destruction of, or damage to, any Car within two (2) days of receipt by Lessee of the knowledge of such event.

(a) Repairs. Lessee will preserve the Cars in good order, condition and repair at all times and will not in any way alter the physical structure of the Cars. Lessee will, at its sole cost and expense, maintain, repair and make modifications to the Cars to be in compliance with all requirements of the Association of American Railroads rules for interchange and the Canadian Transport Commission regulations governing interchange (together "**Interchange Rules**"), and all requirements of the United States Department of Transportation and other United States and Canadian governmental authorities.

Lessee shall not, without the prior written consent of Lessor, affix or install any accessory, part, equipment, or device on any Car if such addition will impair the originally intended function or use of such Car. All additions, repairs, parts, supplies, accessories, equipment and devices furnished, attached or affixed to any Car shall thereupon become the property of Lessor (except for such as may be removed without in any way affecting or impairing the originally intended function of diminishing the value of the Car or use thereof or materially damaging the Car, and provided further that any damage caused by such removal is repaired by Lessee forthwith).

(b) Loss or Destruction. If any Car shall be lost, destroyed, or damaged to the extent that the physical condition is, in Lessor's opinion, such that it cannot be operated in railroad service, Lessee shall pay to Lessor an amount ("**Loss Value**") equal to the greater of (i) the Stipulated Loss Value of such Car as set forth in the appropriate schedule to each Rider, or (ii) the replacement value of such Car, which shall equal the amount payable by a railroad subscribing to the Interchange Rules

as if the Car had been lost or destroyed while in the service of such railroad. Any Loss Value payable by Lessee to Lessor pursuant to this Section 9(b) shall be reduced by any amounts received by Lessor from any party responsible for such loss or destruction.

Upon receipt by Lessor of the Loss Value due for a lost, destroyed, or damaged Car, rental payments for that Car will cease. Lessor shall have the right, but shall not be obligated, to substitute for any such Car another car of the same type and capacity and the rental with respect to such substituted Car shall commence upon delivery of such substituted Car to Lessee.

10. Rules, Laws and Regulations. Lessee agrees to comply with all United States and Canadian governmental laws, regulations, requirements and rules (including the rules of the United States Department of Transportation and the Interstate Commerce Commission) and the Interchange Rules with respect to the use, maintenance and operation of the Cars subject to this Agreement.

11. Lessee Responsibility. Lessee shall be responsible for and shall indemnify Lessor and hold Lessor harmless and does hereby release Lessor from the loss or destruction of, or damage to, the Cars or any parts thereof, or any commodities loaded or shipped therein or thereon, during the term of this Agreement; provided, however, Lessee shall not be responsible to the extent the then-prevailing Interchange Rules place responsibility upon a railroad subscribing to the Interchange Rules; and provided, further, that Lessee shall not be responsible if such loss, destruction, or damage to the Cars or parts thereof was caused by the sole active gross negligence or willful misconduct of Lessor. Notwithstanding anything contained therein to the contrary, Lessee shall be responsible for and shall indemnify Lessor and hold Lessor harmless and does hereby release Lessor from the loss or destruction of, or damage, to a Car or any part hereof during the term of this Agreement which shall (i) be occasioned by the misuse or negligence of Lessee, its consignee, agent or sublessee, (ii) occur while such Car is on the tracks of Lessee or any private siding or track, or at the loading or unloading facility of Lessee or its consignee, agent or sublessee, or on the track of any railroad that does not subscribe to the Interchange Rules or any private or industrial railroad or (iii) be caused by any commodity which may be transported or stored in or on such Car.

12. Indemnities. Lessee agrees to defend, indemnify, and hold Lessor harmless from and against any loss, liability, claim, suit, damage or expense of whatsoever nature and regardless of the cause thereof arising out of or in connection with or resulting from the condition, use (if not excluded from insurance

coverage), loss or use, maintenance or operation of the Cars during the term of this Agreement, excepting, however, any loss, liability, claim, suit, damage, or expense which accrues with respect to any of the Cars (i) which is attributable to the sole active gross negligence or willful misconduct of Lessor, its agents or employees; or (ii) for which a railroad has assumed full responsibility, including investigating and defending against any claim for damages.

13. Loss or Damage to Lading. Lessor shall not be liable for any loss of or damage to commodities, or any part thereof, loaded or shipped in or on the Cars, and Lessee agrees to assume financial responsibility for, to indemnify Lessor against, and to save Lessor harmless from any such loss or damage, unless caused by the sole active gross negligence or willful misconduct of Lessor.

14. Replacement of Loading or Unloading Appliances. If any loading or unloading appliance or removable part thereof is destroyed, damaged, lost, removed or stole, ordinary wear and tear excepted, Lessee shall, at its own expense, either replace or reimburse Lessor for the cost of replacing any such appliance or removable part, unless the railroad transporting the Cars shall have assumed full responsibility for such loss, damage, or destruction.

*15. Linings. The application, maintenance, and removal of interior protective lining in any of the Cars is to be performed by and at the expense of Lessee unless otherwise specifically provided for the applicable Rider.

*16. Marks. Lessee shall be responsible, at its expense, for applying any allowed reporting marks to any of the Cars after delivery thereof to Lessee and for changing all railroad reporting marks back to reporting marks designated by Lessor prior to the last loaded move of the Cars in the Lessee's service.

17. Load Limits. Lessee agrees not to load any of the Cars in excess of the load limit stenciled thereon.

18. Lessor's Inspection Rights. Lessor and its authorized representatives shall have the right to inspect the Cars and Lessee's records with respect thereto.

*19. Charges. Lessee shall be liable for all charges and costs associated with the empty movement of Cars, including movement to and from repair facilities.

*20. Sublease and Assignment. Lessee may not sublease any of the Cars and shall make no transfer or assignment of its interest under this Agreement in and to the Cars without Lessor's

prior written consent, and any attempted sublease, transfer or assignment without such consent shall be void. No right, title, or interest in any of the Cars shall vest in Lessee by reason of this Agreement or by reason of the delivery to or use by Lessee of the Cars, except the right to use the Cars in accordance with the terms of this Agreement. Lessee shall keep the Cars free and clear of any lien or encumbrance and agrees to indemnify Lessor and hold Lessor harmless from any cost or expense, including attorneys' fees, with respect to such a lien or encumbrance.

Lessor shall have the right to assign this Agreement and/or any of Lessor's rights hereunder, including the right to receive rentals, and Lessee hereby consents to and accepts any such assignment.

*21. Default. If Lessee defaults in the payment when due of any sum of money under this Agreement and such default continues for a period of ten (10) days thereof; or if Lessee fails to perform any covenant or condition required to be performed by Lessee which failure shall not be remedied within ten (10) days after notice thereof from Lessor to Lessee; or if Lessee shall dissolve, make or commit any act of bankruptcy, or if any proceeding under any bankruptcy, or insolvency statute of any laws relating to relief of debtors is commenced by Lessee, or if any such proceeding is commenced against Lessee and same shall not have been removed within thirty (30) days of the date of the filing thereof; or if a receiver, trustee, or liquidator is appointed for Lessee for all or a substantial part of Lessee's assets with Lessee's consent, or if without Lessee's consent the same shall not have been removed within thirty (30) days of the date of the appointment thereof; or if an order, judgment or decree be entered by a court of competent jurisdiction and continue unpaid and in effect for any period of thirty (30) consecutive days without a stay of execution; or if a writ of attachment or execution is levied on any Car is not discharged within ten (10) days thereafter, Lessor may exercise one or more of the following remedies with respect to the Cars:

(a) Immediately terminate this Agreement and Lessee's rights hereunder;

(b) Require Lessee to return the Cars to Lessor at Lessee's expense, and if Lessee fails to so comply, Lessor may take possession of such Cars without demand or notice and without court order or legal process;

(c) Lease the Cars to such persons, at such rental and for such period of time as Lessor shall elect. Lessor shall apply the proceeds from such leasing, less all costs and expenses incurred in the recovery, repair, storage, and renting of such Cars, toward the payment of Lessees' obligations hereunder. Lessee shall remain liable for any deficiency, which, at Lessor's

option, shall be paid monthly, as suffered, or immediately, or at the end of the term of damages for Lessee's default;

~~(d) Declare all rent and other amounts then accrued or thereafter accruing from Lessee to Lessor under any provision hereunder immediately due and payable~~ DRB

(e) Pursue any other remedy which Lessor may have.

Each remedy is cumulative and may be enforced separately or concurrently. If Lessee fails to perform any of its obligations hereunder, Lessor, at Lessee's expense, and without waiving any rights it may have against Lessee for such nonperformance, may itself render such performance. Further, Lessee shall reimburse Lessor for all costs and expenses including reasonable attorneys' fees expended by Lessor in the enforcement of its rights and remedies hereunder, and Lessee shall pay interest on any amount owing to Lessor from the time such amount becomes due hereunder at a rate of eighteen percent (18%) per annum, such rate to be reduced, however, to the extent it exceeds the maximum rate permitted by applicable law. In addition, Lessee shall, without expense to Lessor, assist Lessor in repossessing the Cars and shall, for a reasonable time if required, furnish suitable trackage space for the storage of the Cars.

If applicable, Lessor shall be entitled to the remedies of a Lessor under Section 1168 of the U.S. Bankruptcy Code.

*22. Return Provisions. Lessee agrees, immediately upon the termination of each Rider, to return the Cars leased under such Rider to Lessor at the location indicated in such Rider, suitable for interchange service, empty and free from residue and in the same good condition as when each Car was delivered to Lessee by Lessor, ordinary wear and tear excepted. Lessee shall, on demand, reimburse Lessor for the cost of damage to any of the Cars or to the fittings or appurtenances thereto, caused by the commodities transported therein or thereon. If any Car is returned to Lessor not free from accumulations of deposits, the Car shall remain on rental until the earliest of thirty (30) days from the date of return or the date the accumulations and deposits have been removed.

In the event that any Car is not delivered to Lessor as provided in this Section 22 on or before the end of the term specified for such Car in the appropriate Rider, all of the obligations of Lessee under this Agreement with respect to such Car shall remain in full force and effect until such Car is so delivered to Lessor; provided, however, in the event that any Car is not delivered to Lessor as provided in this Section 22 within thirty (30) days after the end of the term for such Car, the Monthly Rental for such Car shall, upon the expiration of such

thirty (30) day period, be set at one and one-half times the Monthly Rental.

Lessee agrees, upon request of Lessor, to provide free storage of any Car delivered to Lessor pursuant to this Section 22 for up to ninety (90) days after delivery of such Car to Lessor.

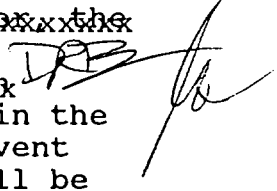
*23. Taxes. Lessee agrees to report and pay, in addition to rent and service charges, all property, sales, use, leasing, operating, excise, and other similar taxes regardless of how such taxes are named or described, as may be levied or assessed with respect to the Cars, together with any penalties, fines, or interest thereon, and all duties, taxes, and similar charges arising out of use of the Cars outside of the United States.

In order to avoid loss, disallowance, recapture, or other diminution of any tax benefits claimed by Lessor with respect to the Cars, including, but not limited to any accelerated depreciation deduction allowable under Section 168 and related Sections of the Internal Revenue Code of 1986 (the "Code"), Lessee (i) shall use the Cars predominantly within the continental United States within the meaning of the Code, (ii) shall caused third parties having control over the Cars to use the Cars predominantly within the continental United States within the meaning of the Code, and (iii) shall not take or fail to take any action which, under Sections 48 and 168(g) of the Code, would cause Lessor to suffer a loss of any tax benefits otherwise available to Lessor under Section 168 of the Code.

If Lessor shall lose by disallowance, recapture or otherwise, any portion of said tax benefits as the result of any act committed by Lessee or any third party having control over the Cars or Lessee's or such third party's failure to take any act, Lessee agrees to pay Lessor a sum which, after deduction of all taxes required to be paid by Lessor in respect of the receipt thereof under the laws of the United States or any political subdivision thereof, shall be equal to the amount of the tax benefits so lost by lessor, which sum shall be payable on written demand made at any time after payment of the tax attributable to the portion of the tax benefits lost; provided, however, that Lessee shall be under no obligation to indemnify Lessor for the amount of any tax benefits lost with respect to any Car for which Lessee has paid to Lessor the Loss Value set forth in Section 9 hereof.

24. Insurance.

Lessee shall, at all times while this Agreement is in effect at its own expense, cause to be carried and maintained (i) all-risk, physical loss or damage insurance with respect to each Unit in minimum amount equal to the settlement value (as defined

in Section 9(b)); and (ii) public liability insurance in a minimum amount of _____ per occurrence with respect to third party personal injury and property damage, in each case for such risks and with such insurance companies as are satisfactory to the Lessor. All insurance shall be taken out in the name of Lessee and shall name Lessor and any assignee of Lessor as additional insureds and shall also list Lessor and any assignee of Lessor as loss-payees as their interests may appear on the insurance policies. Said policies shall provide that Lessor and any assignee of Lessor shall receive ten (10) days prior written notice of any material changes in coverage or cancellation thereof. ~~With respect to the additional insureds, Lessee's insurance policies shall be primary to any other valid and available insurance ("Other Insurance") effected by or for the additional insureds. Lessee shall require its insurer specifically to waive subrogation, claim and recovery with respect to any Other Insurance.~~ Any and all deductibles in the described policies shall be paid by the Lessee. In the event that, and only with Lessor's written approval, Lessee shall be permitted to self-insure on any specified interests, the Lessee hereby warrants to place the Lessor in the same position as if the relating insurance had been effected. 

Each item obtained by Lessee pursuant to this Paragraph shall be in accordance with the above terms and conditions, and such terms and conditions shall be set forth on the Certificate of Insurance provided to the Lessor pursuant to this Subparagraph. Lessee shall furnish to Lessor concurrently with execution hereof, and within thirty (30) days of receipt of a written request from Lessor, and at intervals of not more than twelve (12) calendar months from execution hereof, Certificates of Insurance evidencing the aforesaid insurance. Lessee shall provide Lessor a Certified Copy of each insurance policy upon written request.

25. Representations and Warranties of Lessee. Lessee represents and warrants that, as of the date of this Agreement:

(a) Lessee is a corporation duly incorporated, validly existing and in good standing under the laws of the state of its incorporation and is either duly qualified to do business and is in good standing in such other jurisdictions in which the business and activities of Lessee require such qualification, or its failure to so qualify in any such other jurisdiction will not have a material adverse impact on this Agreement.

(b) Lessee has full corporate power to enter into this Agreement.

(c) The Agreement had been duly authorized, executed, and delivered by Lessee, and constitutes a valid, legal and binding agreement, enforceable in accordance with its terms.

(d) No approval is required by Lessee from any governmental or public body or authority with respect to the entering into or performance of this Agreement.

(e) The entering into and performance of this Agreement will not conflict with, or result in a breach of, the terms, conditions, or provisions of (i) any way, or any regulation, order, injunction, permit, franchise, or decree of any court or governmental instrumentality, and (ii) any indenture, agreement, or other instrument to which Lessee is party or by which it or any of its property is bound.

(f) Lessee is neither an organization described in Section 48(a)(4) nor a governmental unit described in Section 48(1)(5) of the Internal Revenue Code of 1986.

*26. Modifications. In the event the United Department of Transportation, or any other United States or Canadian governmental agency, or the Association of American Railroads, or the Canadian Transport Commission, or any other non-governmental organization having jurisdiction over the operation, safety or use of railroad equipment in the United States or Canada, requires that Lessor add, modify, or in any manner adjust the Cars subject to this Agreement in order to qualify them for operation in railroad interchange, Lessee agrees to pay for such additions, modifications or adjustments.

27. Notices. With regard to any Car, any notice, demand or request required or permitted to be made, given or served by either party to or upon the other hereunder, shall be in writing and shall be deemed to have been made when deposited in the United States or Canada mail, certified or registered mail, postage prepaid and addressed to Lessor or Lessee at the address set forth in the appropriate Rider.

28. Successors. This Agreement shall be binding upon the parties hereto, their respective successors, assigns and legal representatives; and shall remain in full force and effect from the date hereof until the completion of the leasing arrangements shown on each and every Rider, and all Cars the lease for which shall not have been earlier terminated are returned to Lessor.

29. Additional Provisions. Additional provisions of this Agreement, if any, will be set forth in the Riders.

30. Captions. Captions to any provision of this Agreement are for ease of reference only and are not to be construed to be part of this Agreement.

31. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement (such execution may be by two or more counterparts, each of which shall be deemed an original) as of the date and year first above written.

MNVA RAILROAD, INC.
LESSEE:

By:

Dean R. Blawie

Title:

PRESIDENT

ATTEST:

Jean Grady, Sec.

HELM FINANCIAL CORPORATION
LESSOR:

By:

John C. Helm

Title:

President

ATTEST:

John C. Helm, VP Finance

EXHIBIT A
PURSUANT TO LEASE AGREEMENT DATED AUGUST 18TH, 1989
CERTIFICATE OF ACCEPTANCE
OF
RAILROAD CARS

ATTACHMENT # 1

CAR NUMBERS:	481639	481564	481602	481632	481549
	481619	481594	481636	481585	481644
	481569	481598	481610	481612	481641
	481625	481590	481621	481623	481630
	481647	481631	481529	481597	481591
	481578	481550	481576	481611	481570
	481536	481528	481605	481560	481532
	481596	481615	481649	481643	481574
	481600	481557	481592	481607	481567
	481562	481538	481616	481542	481614
	481583	481635	481571	481568	481525
	481551	481572	481608	481640	481548
	481527	481633	481534	481575	481624
	481577	481618	481580	481543	481566
	481544	481526	481604	481555	481642
	481540	481617	481541	481603	481553
	481599	481622	481556	481547	481559
	481593	481627	481646	481589	481537
	481579	481561	481563	481586	481629
	481535	481573			

Don R. Bloomer

EXHIBIT A

PURSUANT TO LEASE AGREEMENT DATED AUGUST 18TH, 1989

CERTIFICATE OF ACCEPTANCE
OF
RAILROAD CARS

This Certificate related to the railroad cars listed below leased by Helm Financial Corporation to MNVA RAILROAD, INC. under a Lease Agreement dated August 18, 1989, (the "**Agreement**"), into which this Certificate is incorporated by Section 3 thereof.

DESCRIPTION OF CARS; COVERED HOPPERS

CAR NUMBERS: 481531 481648 481613 481645 481606 481587
481628 481545 481552 481546 481554
481533 481626 481565 481595 481582
481539 481584 481588 481601 481581

Lessee hereby certifies the fitness and suitability and its unconditional acceptance of the railroad cars listed herein as of the date below written and hereby subjects said railroad cars to the Agreement.

Lessee hereby certifies that the representations and warranties of Lessee contained in the Agreement are true and correct as of the date below written and that no event of default exists or with the passage of time would exist with regard to the Agreement.

Lessee hereby certifies that the undersigned officer signing on behalf of Lessee is duly authorized to execute and deliver this Certificate.

MNVA RAILROAD, INC.
LESSEE

By: Dean R. Blumberg

Title: PRESIDENT

Date: SEPTEMBER 11, 1989

Attest/Witness:

By: Jean Kratzke

Title: Secretary

EXHIBIT A

PURSUANT TO LEASE AGREEMENT DATED AUGUST 18TH, 1989

CERTIFICATE OF ACCEPTANCE
OF
RAILROAD CARS

This Certificate related to the railroad cars listed below leased by Helm Financial Corporation to MNVA RAILROAD, INC. under a Lease Agreement dated August 18, 1989, (the "Agreement"), into which this Certificate is incorporated by Section 2 thereof.

DESCRIPTION OF CARS: COVERED HOPPER

CAR NUMBERS: 481530

Lessee hereby certifies the fitness and suitability and its unconditional acceptance of the railroad cars listed herein as of the date below written and hereby subjects said railroad cars to the Agreement.

Lessee hereby certifies that the representations and warranties of Lessee contained in the Agreement are true and correct as of the date below written and that no event of default exists or with the passage of time would exist with regard to the Agreement.

Lessee hereby certifies that the undersigned officer signing on behalf of Lessee is duly authorized to execute and deliver this Certificate.

MNVA RAILROAD, INC.
LESSEEBy: Dean R. BlankTitle: PRESIDENTDate: OCTOBER 4, 1989

Attest/Witness:

By: Susan MatzkeTitle: Bookkeeper

RIDER #1.1

PURSUANT TO LEASE AGREEMENT DATED AUGUST 18, 1989

- I. NUMBER OF CARS: 119
- II. DESCRIPTION OF CARS: 4750 Cubic Foot Covered Hopper Cars
- III. CAR NUMBERS: NAHX 481000 Series to be restenciled MNVA Marks with the same Series.
- IV. TERM: Lease Term will not begin until the date of delivery of the last Car subject to this Lease to the Point of Delivery (stated below) and for thereafter on all of the cars. The Lease Term will begin on the first day of the month following the month of the last Car's delivery date but in no event will it be later than for all the Cars delivered up to that date.
- V. RENTAL RATE: ; plus any amounts due under Modification Section 26. Rent begins to accrue and becomes payable for each Car when it is delivered to Point of Delivery (stated below) or into the control of the Lessee. Rent payment is modified below.
- VI. ANTICIPATED DELIVERY PERIOD:
- VII. POINT OF DELIVERY: MNVA Railroad Inc., Minneapolis, Minnesota (CNW Delivery) or other location approved in advance by Lessor. Delivery is further modified below.
- VIII. RETURN POINT: Cars to be directed to a point designated by Lessor following last loaded move.
- IX. ADDITIONAL USAGE RENTAL: /Car/mile for each mile over miles that a Car travels over a calendar year, prorated for periods less than a year during the initial and final years of the Lease and payable within of the end of the period.
- X. THE CARS MAY BE USED ONLY FOR THE TRANSPORTATION OF THE FOLLOWING TYPES OF COMMODITIES: Grain & Agricultural Commodities.
- XI. STIPULATED LOSS VALUE SCHEDULE NOT APPLICABLE.

XII. INSURANCE: LESSEE WILL FURNISH TO LESSOR CERTIFICATES OR INSURANCE EVIDENCING LIABILITY COVERAGE AND CHRYSLER RAIL TRANSPORTATION CORPORATION ("OWNER") WILL BE NAMED AS ADDITIONAL INSURED ON LESSEES LIABILITY INSURANCE POLICY AS OF THE ACCEPTANCE DATE (DEFINED BELOW) OF EACH CAR. THE CONTENTS OF SUCH CERTIFICATES OF INSURANCE SHALL BE SATISFACTORY TO OWNER. LESSOR WILL ALLOW LESSEE TO SELF-INSURE FOR PROPERTY DAMAGE AND OWNER WILL BE THE DIRECT BENEFICIARY OF ALL PAYMENTS ARISING FROM SECTION 9 (b) OF THE LEASE AGREEMENT.

XIII. SPECIAL ITEMS: THE FOLLOWING SECTIONS HAVE BEEN EDITED OR DELETED:

Section 2) Delivery. This paragraph is hereby amended to state:

Upon their Acceptance Date (as defined below) Cars will be sent empty from the Des Moines, Iowa inspection site and on the day they arrive at MNVA's Minneapolis, Minnesota facility (Point of Delivery) that day will be the Delivery Date, as well as the Rent Start Date for rental payments due on those Cars. Immediately upon arrival Lessee will remove the Marks and replace them as agreed above (Section III).

Section 3) Inspection and Acceptance. This Paragraph is hereby amended to state that the Cars are to be marshalled at Des Moines, Iowa wherein an inspection of the Cars by the Lessee will take place. Lessee will execute a Certificate of Acceptance in the form of Exhibit A which date thereof will be the Acceptance Date for all Cars in compliance with AAR interchange condition, and as long as the Cars meet this criteria and are in accordance with the Railcar Transfer Letter ("RTL", Exhibit B) they are acceptable and will be immediately sent to the Point of Delivery. If the Cars after acceptance are in need of repairs due to the separation of the partition sheets from the side sheets, Lessee will not be liable for such repairs.

Section 5) Rent. The second sentence of paragraph (a) is to read:

"Each Monthly Rental shall be paid in arrears on the last business day of the month, prorating, however, any period which is less than a full month on the basis of a month of thirty (30) days."

Section 15) Linings. Cars are not lined; this paragraph is deleted.

Section 16) Marks. Cars will initially be stenciled with reporting marks designated by Lessee, all at Lessee's expense. At lease termination Lessee will cause the Cars to be restenciled to reporting marks designated by Lessor prior to the last loaded move of each Car at a cost to Lessor not to exceed per CAR.

Section 19) Charges. The following paragraph will be added to the current section:

"Lessee shall be liable for any demurrage, track storage or detention charge imposed in connection with any of the Cars as well as loss of or damage to any Car while on any private siding or track or on any private or industrial railroad or in the custody of any Carrier not subject to the Interchange Rules during the term of this Lease."

Section 20) Sublease and Assignment. Insert the following as a paragraph between the two presently written:

Lessor hereby grants its consent to the sublease of the Cars to other sublessees in the normal course of Lessee's business, subject to the following representations and warranties hereby made by Lessee with regard to all subleases existing or to be existing permitted by this Section 20: (i) the term of any sublease shall not be for a period ending after the initial term of this Lease; (ii) there shall be no bargain renewal or bargain purchase options available to any sublessee; (iii) in Lessee's reasonable judgment, any sublessee shall be financially responsible; (iv) in Lessee's reasonable judgment, any sublessee shall not cause Lessee to violate the requirements set forth in Section 23 hereof; (v) the sublease states it is a sublease which is subject to the rights of the Lessor of this Lease (the "Primary Lease") and (vi) there shall be no provision for further assignment or sublease of the Cars in any sublease without notice.

Section 21) Default. This section shall be modified to state that the Lessor is to provide notice to Lessee should they be in default of payment and Lessee will have 10 days to cure such a default.

Section 22) Return Provisions. Lessee is not liable to provide storage; however, Lessee will notify Lessor 120 days prior to the termination date of their intention to end or continue the Lease Agreement.

Section 23) Taxes. This section excludes taxes on income of Lessor. Add to the end of the first paragraph:

"Lessee will pay the taxes, et al, stated above whether due to Federal, State or local governments of the United States or similar entities outside the United States; however, Lessee

will not be responsible to pay taxes on income of Lessor. Upon Lessor's request the Lessee will forward copies of tax reports and evidence of payment."

Section 26) Modifications. The phrase at the end of the paragraph that reads:

"...Lessee agrees to pay for such additions, modifications or adjustments."

will be changed to read:

"...Lessor agrees to pay for such additions, modifications or adjustments and Lessee will pay additional rentals equal to per of modification costs or part thereof."

XIV. ADDRESSING OF NOTICES:

If to Lessee:	MNVA Railroad, Inc. P.O. Box 218 Redwood Falls, MN 56283
If to Lessor:	Helm Financial Corporation One Embarcadero Center San Francisco, CA 94111 ATTN: Director of Operations

Executed and delivered as of August 18, 1989, as a rider to and part of the above-referenced Lease Agreement between Lessor and Lessee.

**MNVA RAILROAD, INC.
LESSEE:**

By: Dean R. Blomke
Title: PRESIDENT

**HELM FINANCIAL CORPORATION
LESSOR:**

By: John A. Clendenen
Title: President

EXHIBIT B

August 18, 1989

Mr. Gary Jaggard, President
Southeast Bank Leasing Company
One Southeast Biscayne Boulevard
200 South Biscayne Boulevard
Miami, Florida 33131
(Mail Stop 1214)

Re: Railcar Transfer Letter

Dear Mr. Jaggard:

Buyer and/or Agent agrees, subject to the terms and conditions of the purchase agreement of even date herewith, by and among the Buyer, the Seller and the Trustee (the "Purchase Agreement"), and of this letter (hereinafter referred to as the "Railcar Transfer Letter"), to accept delivery from Trustee and/or Lessee in "as is condition", (subject only to the exceptions set forth herein and in Section 11 of the Purchase Agreement), for inspection at Lessee's Avon Facility, of the following number of Railcars:

- (i) On the Closing Date (also sometimes referred to herein as the "First Delivery Date"), at least twenty (20) Railcars,
- (ii) On (the "Second Delivery Date"), fifty (50) additional Railcars plus a number of Railcars equal to any Railcars which were made available to Agent on the First Delivery Date, but which were rejected by Agent in accordance with section B(4) below.
- (iii) On (the "Third Delivery Date"), forty-nine (49) additional Railcars plus a number of Railcars equal to any Railcars which were made available to Agent on the Third Delivery Date, but which were rejected by Agent in accordance with section B(4) below.

(a) Lessee shall have until
to make any repairs to a Railcar made
available to Agent on the Third Delivery
Date, in accordance with the terms of the
Purchase Agreement.

If Buyer accepts a Railcar, it shall accept such Railcar in the manner provided for in Section 4(c) of this Agreement, and in the Railcar Transfer Letter, and in accordance with the following provisions:

(i) within six (6) business days of the First Delivery Date; or

(ii) within five (5) business days of the Second Delivery Date; or

(iii) within seven (7) business days of the Third Delivery Date; provided however, that Buyer shall have until _____ to accept any Railcars which were made available to Agent on the Third Delivery Date, but which were rejected by Buyer in accordance with the provisions of this Agreement and the provisions of the Railcar Transfer Letter.

This Railcar Transfer Letter, together with the provisions of Section 3 of the Purchase Agreement, sets forth the following structure pertaining to the delivery, inspection, and acceptance of the Equipment as such term is defined in the Purchase Agreement. All capitalized terms herein shall have the meaning assigned to such terms in the Purchase Agreement.

"As is condition" shall mean the condition of a particular Railcar on the date such Railcar is delivered to Buyer and/or Agent by Lessee, in the condition that Buyer and/or Agent finds such Railcar on such date, subject only to an Interchange Defect and/or a Grain Defect as more specifically described in Section 11 of the Purchase Agreement, which Lessee shall be responsible for curing. In addition, Buyer and/or Agent shall be responsible for any Structural Defect (which shall mean any failure of the center partition of a Railcar).

(A) Lessee shall deliver each Railcar to the Avon Grain Company's facility located in Des Moines, Iowa (the "Facility").

(B) Upon delivery by Lessee of each Railcar to the Facility, Lessee and Agent, as the case may be, shall perform the following:

(1) Lessee shall immediately notify Agent that a Railcar is available and ready for inspection by Agent at the Facility;

(2) After receipt of notification from Lessee, Agent shall have: (i) with respect to any Railcar delivered on the First Delivery Date or the Second Delivery Date, until _____ and; (ii) with respect to any Railcar delivered on the Third

Delivery Date, until _____ in which
to inspect the Railcar(s) to confirm the
Interchange Condition (other than any failure of
the center partition of a Railcar, hereinafter
referred to as a "Structural Defect") of said
Railcar(s), and to confirm that said Railcar(s) is
suitable for carrying grain all in the manner and
within the time periods described in Section 11 of
the Purchase Agreement;

- (3) After Agent has approved inspection of said Railcar(s), Agent shall deliver an Acceptance Certificate to Seller and to Lessee in accordance with the provisions of Section 3 of the Purchase Agreement. After delivery of the Acceptance Certificate, Agent shall, at its own cost and expense, and at its own facility, re-stencil said Railcar(s) with Agent's marks. Any Railcars while being transported to Agents facility and prior to being re-stenciled by Agent, shall continue to bear the current running marks. Buyer shall remove any existing running marks from all Railcars accepted by Buyer, prior to

In the event that Buyer fails to remove any existing running marks by _____ Buyer agrees to indemnify Seller for any cost or expense which may be imposed upon or charged to Seller in connection with such existing running marks which are not removed.

- (4) In the event inspection of said Railcar is not approved by Agent because of an existing Interchange Defect or because said Railcar is not suitable for carrying grain (a "Grain Defect"), Lessee shall make repairs in the manner prescribed in Section 11 of the Purchase Agreement, and Lessee hereby agrees to be solely responsible for making such repairs (other than for a Structural Defect or a Grain Defect) at its sole expense, without any expense to Seller.

- (5) In the event inspection of said Railcar is not approved, and Lessee makes the necessary repairs thereto in the manner prescribed herein and in the Purchase Agreement, Agent shall re-inspect said Railcar not later than _____ (the final date for any inspection), and shall be accepted by Buyer not later than _____

Upon the destruction, loss or delay of any Railcar (the "Lost Railcar") as provided in Section 9 of the Purchase Agreement, and upon receipt of a Notice to Substitute, Lessee shall have

the option to substitute for such Lost Railcar another Railcar from its own inventory (a "Substitute Railcar"), and Buyer shall accept such Substitute Railcar upon the same terms and conditions of this Agreement, provided, however, that Buyer shall have the option to reject a Substitute Railcar which is more than eleven (11) years old, or which is not a make of Railcar comparable to Railcars agreed to be purchased by Buyer pursuant to this Agreement.

Neither Trustee nor Lessee shall be held responsible or be deemed to be in default for any failure or delay in delivery of any Railcar hereunder due to causes beyond the Trustee's or Lessee's control including, but not limited, acts of God or the public enemy, civil war, insurrection or riots, fires, explosions or serious accidents, governmental priorities or allocations, strikes or labor disturbances, or compliance with any foreign, federal, state or local law or regulation or order of any court of competent jurisdiction.

After the Acceptance Date, Buyer shall assume all responsibility in connection with any Railcar and other property and all risks incident to ownership, maintenance, repair, use and modification thereof and shall be responsible for and shall protect, defend, indemnify and hold harmless Seller, Trustee and Lessee from and against any and all losses, claims, liabilities, damages, expenses, actions and causes of actions, including but not limited to reasonable attorneys' fees arising out of the use, ownership or operation of any Railcar and other property after the Acceptance Date, including but without limiting the generality of the foregoing, damage to or destruction or loss of any Railcar and other property and liability to all third parties for property damage, personal injury or death (including, but not limited to, any liability in any way arising out of or related to any defect in any Railcar and other property at the time of and from and after delivery thereof in accordance with the provisions of Section 3 in the Purchase Agreement).

If you and the other parties hereto are in agreement with these procedures, kindly sign the acknowledgement and consent below.

Yours truly,

Chrysler Rail Transportation
(the "Buyer")

With respect to each Railcar, the Lessee and the Trustee shall each be bound by the terms and conditions of that certain Lease of Railroad Equipment, dated as of November 1, 1979, between Agri and Trustee (the "Lease"), and each signatory hereto that is also a party to the Participation Agreement referred to below, shall also be bound by the terms and

conditions of that certain participation agreement dated as of November 1, 1979, among Agri, the Trustee, Southeast (formerly known as Southeast First Leasing, Inc., a Florida corporation), La Salle National Bank, a national banking association, and Bankers Life Company (the "Participation Agreement"), through and including the Acceptance Date (as that term is defined in the Purchase Agreement) of the last Railcar constituting the Equipment (as that term is defined in the Purchase Agreement).

Furthermore, with respect to the Termination Agreement and Release, of even date herewith between Southeast and Agri, (the "Termination Agreement") both parties hereby agree that such Termination Agreement shall be held in Escrow. An executed original of the Termination Agreement shall be released by Escrow Agent to each respective party on the Effective Date (as that term is defined in the Escrow Agreement).

Additionally, Agri acknowledges that it has received and reviewed an original execution copy of the Purchase Agreement, and hereby agrees and consents to be bound by the terms and provisions pertaining to the Lease as set forth therein.

Notwithstanding anything herein to the contrary, Agri shall not have any obligation to make rental payments, to pay taxes, or to make any other payments pursuant to the Lease with respect to any Railcar from and after the day following receipt by Trustee or Seller of an Acceptance Certificate with respect to such Railcar.

We acknowledge and consent to the terms and provisions of this letter:

Southeast Bank Leasing
Company (the "Seller")

Agri Industries
(the "Lessee")

Exchange National Bank Of
Chicago, Trustee (the "Agent")

not in its individual capacity,
but solely as trustee under a
Trust Agreement dated November 1,
1979 with Southeast Bank Leasing
Company as beneficiary
(the "Trustee")

EXHIBIT A

PURSUANT TO LEASE AGREEMENT DATED AUGUST 18TH, 1989

**CERTIFICATE OF ACCEPTANCE
OF
RAILROAD CARS**

This Certificate related to the railroad cars listed below leased by Helm Financial Corporation to _____ under a Lease Agreement dated August 18, 1989, (the "Agreement"), into which this Certificate is incorporated by Section 3 thereof.

DESCRIPTION OF CARS:

CAR NUMBERS:

Lessee hereby certifies the fitness and suitability and its unconditional acceptance of the railroad cars listed herein as of the date below written and hereby subjects said railroad cars to the Agreement.

Lessee hereby certifies that the representations and warranties of Lessee contained in the Agreement are true and correct as of the date below written and that no event of default exists or with the passage of time would exist with regard to the Agreement.

Lessee hereby certifies that the undersigned officer signing on behalf of Lessee is duly authorized to execute and deliver this Certificate.

LESSEE

By: _____

Title: _____

Date: _____

Attest/Witness:

By: _____

Title: _____